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ABSTRACT

In fall 1988, the Delta College (DC) Board of Trustees appointed a committee of 100 citizens from Saginaw, Bay, and Midland counties to study current college operations and develop recommendations for future directions for DC in the areas of programs, facilities, and finance. Three subcommittees were formed to examine each of these areas. The Subcommittee on Programs examined issues related to college transfer programs, one- and two-year occupational programs, and short-term occupational and contract training programs. The Facilities Subcommittee addressed the issues of space utilization and flexibility, parking, dormitories, the library, and the physical condition of the buildings. The Finance Subcommittee investigated current financial conditions and made projections about future stability. The recommendations of the three subcommittees included the following: (1) improve counseling and communication of regulations regarding student transfer to improve transfer rates; (2) improve college contacts with the business community; (3) provide training to respond to the needs of smaller and mid-size employers; (4) require a demonstration of "core skills," including reading, math and science, of all graduates of occupational programs; (5) produce written procedures for maintenance personnel in specific functional areas; and (6) develop alternate sources of revenue to meet a projected increase in expenditures. Appendixes outline a scholar's program for identifying leadership potential in students, and present financial data. (GFW)

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DELTA COLLEGE COMMITTEE OF 100 REPORT 1989

TOWARD THE YEAR 2000

JC 900 518

BY
Robert L. Hetzler
Donna J. Roberts
Andy Anderson
Gary O. Clark

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Citizens from Saginaw, Bay and Midland Counties examine the future of their community college.

COMMITTEE OF 100

JUNE, 1989

Robert L. Hetzler, Chairman

Donna J. Roberts, Program Sub-Committee Chair

Andy Anderson, Facilities Sub-Committee Chair

Gary O. Clark, Finance Sub-Committee Chair

Delta College

WE ARE THE OPPORTUNITY

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DONALD C. SLACHTA
CHAIRMAN
DELTA COLLEGE
BOARD OF TRUSTEES

MESSAGE FROM DONALD C. SLACHTA

CHAIRMAN OF THE DELTA BOARD OF TRUSTEES

Several months ago, our Board of Trustees directed the establishment of a citizen's Committee of 100 charged to examine possible directions for Delta College in three vital areas: Finance, Instruction and Buildings.

Because a community college by its very nature is an expression of the ambition of all its residents, it seemed to the Board and me that this indeed was a time for a citizen's review of our aims.

The report from the Committee of 100 which accompanies this letter is currently being appraised by Board members. We are impressed by the quality of thinking and the commitment of time so evident in the document.

I invite you on behalf of the Board of Trustees of Delta College to carefully read this report and to forward any questions to the President's Office for our consideration.

A representative cross section of citizens selected by the Delta Board have spoken out about the future of Delta College.

The Delta Board of Trustees is very appreciative of the many hours of work by the members of the Committee and will be responsive to their report.

Donald C. Slachta, Chairman
Delta College Board of Trustees

CHAIRMAN'S INTRODUCTION AND ACKNOWLEDGEMENTS

ROBERT L. HETZLER
CHAIRMAN
DELTA COLLEGE
COMMITTEE OF 100

What follows is not a "report card" on Delta College, but is, instead, the effort of a group of more than 100 concerned citizens of the Tri-County area to provide meaningful counsel to the college's board and administration on a topic of vital concern to us all -- how to anticipate and meet the educational needs of our citizenry as we approach the millennium.

Although the Committee of 100 was assembled through the efforts of the Board of Trustees no constraints were placed upon our fact finding or deliberation and the conclusions contained in this report represent the majority view of the relevant subcommittees.

Upon embarking on our work it had been our intention to address the three areas of inquiry (i.e., program, facilities and finance) seriatim, with each committee building upon the conclusions of the other. But as the three subcommittees began the task of becoming educated in their respective areas it became apparent that financial realities and imperatives could serve to inhibit the spontaneity and creativity that had begun to propel the work of the group.

Therefore, the Program and Facilities Subcommittees went forth and examined issues within their charges and report their conclusions and recommendations unfettered by what may be obstacles to implementation due to funding considerations. This will not be of great comfort to those who examine these findings but should serve as a challenge to develop and utilize resources so as to accomplish as many of the suggested improvements as are deemed to have merit under the scrutiny of those whose task it is to make use of this report.

Our report is issued at a time of considerable public concern about the status of our educational system. It is a time when demographers warn of the imminent shortage of workers even as we recognize that our present workers cannot remain qualified for the jobs they presently hold without mastering new skills. The growing presence of minorities and women in all levels of employment presents new educational opportunities and challenges as does the further globalization of our economic system.

It is against this background that we must pay homage to the prescient recommendations of the original Tri-County College Study Committee which, on October 3, 1956, issued a report that was to become the blueprint for the organization and construction of Delta College. The rightness of this action has been proven by the immeasurable impact Delta's programs have had on tens of thousands of students. That study continues to be an inspiration, fulfilling the wish expressed by Otto Pressprich who chaired that Committee of 300 when he said in its report's forward: *"Let us hope that what we may help to build here will never be finished in either its physical or spiritual aspects."*

It has been my pleasure to work with this committee of distinguished, community-minded men and women. Each has my enduring gratitude for the selfless toil that resulted in this report. A very special appreciation goes to the three subcommittee chairpersons: Donna Roberts, Program; Gary Clark, Finance; and, Andy Anderson, Building. These three leaders tackled a very demanding task and carried it off with professionalism and good humor.

These lines would not be complete without a special salute to the person who held the entire process together and saw to it that every need of each subcommittee was fulfilled. That person is Hal D. Arman, Assistant to the President of Delta College. Hal has been a pillar of strength, a prod when we needed it and an all around super resource and we all thank him.

Robert L. Hetzler, Chairman
Delta College Committee of 100
June 6, 1989

MEMBERS OF THE COMMITTEE OF 100

John R. Abbott	Saginaw
Dempsey Allen	Saginaw
Andrew Anderson	Bay
Anthony Armstrong	Bay
Michael R. Asiala	Bay
Senen Asuan	Saginaw
Roosevelt Austin	Saginaw
Roger Beck	Saginaw
Stuart Bergstein	Midland
Mary Bleau	Bay
Robert Bott	Midland
Helen Brennan	Saginaw
Michael Brooks	Bay
Patricia Carrigan	Bay
Cynthia Chadwick	Bay
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Kirk Hudson	Midland
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James I. Morgan	Midland
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Edward Napierala	Saginaw
Jane Olivarez	Saginaw
Paul Olvera	Saginaw
George H. Owen	Midland
Charles Parke	Bay
Mary W. Princing	Saginaw
Nancy Princing	Saginaw
Thomas Princing	Saginaw
Marian R. Purdue	Saginaw
Robert Rajewski	Bay
Donna J. Roberts	Midland
Tom Rodriguez	Bay
Jane Rogers	Bay
Brenda Rowley	Bay
Anne E. Schilling	Midland
Shirley Schleimer	Saginaw
Ronald Schneider	Saginaw
Sidney Schneider	Midland
Jack Shaw	Bay
Robert Sherman	Bay
Candace Smith	Bay
Joyce Smith	Bay
Fred Snider	Saginaw
Sandee Spears	Midland
Robert Stein	Midland
Edward Steinhoff	Midland
Duanne Swift	Midland
Rex H. Thatcher	Bay
Sherri Tiderington	Saginaw
Daniel W. Toshach	Saginaw
Joan Trinklein	Saginaw
Tyler Van Alst	Bay
Clifford Van Dyke	Bay
Ricardo Verdoni	Saginaw
Robert Viera	Saginaw
David Wallace	Saginaw
Curtis E. White	Saginaw
Hal A. White	Saginaw
David Wierman	Saginaw
Doris Williams	Saginaw
Lloyd J. Yeo	Saginaw
Russell Zwingman	Saginaw

COMMITTEE OF 100

EXECUTIVE SUMMARY

In fall 1988, the Delta College Board of Trustees appointed a citizen's Committee of 100 to study current College operations and develop recommendations for future directions for the College. The Committee was given several specific charges by the Board. Those charges, and the findings and recommendations in response to the charges, will be summarized in the following paragraphs.

Before reporting what was recommended, it may be helpful to understand the processes used by the Committee in completing its work. The tasks to be done fell into three major areas. A Sub-Committee was appointed for each area with the following leaders: Program, Donna Roberts; Facilities, Andy Anderson; Finance, Gary Clark, and overall direction from the Chair of the Committee, Bob Hetzler. The Program Sub-Committee divided into four Work Groups because of the scope of their duties.

The entire Committee heard introductory presentations by Dr. David Ponitz, President of the American Association of Community and Junior Colleges; Paul Rowley, then Chairman of the College Board of Trustees; and President Don Carlyon. Tours of several parts of the campus were arranged for members. Sub-Committees and Work Groups invited a variety of College officials, representatives of companies such as Dow Chemical, General Motors, Consumers Power, St. Luke's Hospital, and other groups to share information and their judgments about the future of the Tri-County area, and the role the College should play in the future. Draft Sub-Committee recommendations were prepared and critiqued by Sub-Committee members until the reports reached acceptable form for the group.

The charge of the Committee and summary recommendations follow:

1. **The extent to which current programs meet the current needs of the constituency of the College.**
2. **The programming areas that should be explored to meet the anticipated needs of the citizens of this area into the future.**

The information gathered indicates that the College is doing well in providing the first two years of a bacclaureate education. Students are well prepared when they transfer to the university. The myriad of regulations of transfer institutions creates ongoing problems of keeping students and parents informed and in compliance with those regulations. The one and two-year occupational programs also appear to be responding well to the needs of local employers. In fact, more graduates of occupational programs are needed to meet local employment opportunities. In the future, the College must remain attuned to the changing needs of employers in the Tri-Counties and adjust programs accordingly. In addition, the College must do a better job of informing the College district of programs currently in place. The College offers several short term or occupational training programs to help employees understand and work with new technological developments on the job. Delta offers good training programs; however, the training has focused on larger employers. Efforts need to be made to develop new programs to respond to the particular needs of smaller and mid-size employers. The College has in place processes to review programs which might be reduced or eliminated as need for them diminishes. A more aggressive and pro-active method of considering both new program ideas and deletion of older programs was recommended by the Committee. Other broad recommendations in

the program area included instruction in core skills in several occupational programs, increased College involvement in retraining of both the currently employed person, and those who are unemployed, and better communication and involvement with the residents of the Tri-Counties.

3. **The extend and manner in which current facilities are being used.**
4. **The need for additional facilities which may be needed to support the programming identified in 1 and 2.**

The Committee inspected College facilities and concluded that the buildings were well designed and constructed when new, but the normal wear of 30 years usage is starting to be evident. The successful millage election in fall 1988 provided badly needed funds to make essential repairs, replace outmoded equipment, and complete minor remodeling projects. College buildings are heavily used during most day and evening hours. Heavy usage and limited space are creating real problems in the College library, television studios, and some technical laboratories. The auto service center is clearly inadequate in size and design for present usage. The Commons area needs to be renovated to provide a more attractive and bright atmosphere, increased flexibility in serving food to customers, and to permit the Bookstore to improve display and sale of merchandise. The College Master Plan is almost 20 years old and needs to be re-examined. Several issues were not resolved by the Committee and need to be studied in more detail, including the continuing need for dormitories on a community college campus, whether to emphasize on-campus or off-campus facility development, and how the College should respond to the current parking situation.

5. **The adequacy of current revenue sources to fund College programs now and as they develop in the future.**

The Finance Sub-Committee reviewed a great deal of historical data, heard presentations by a state legislator, county equalization directors, and the College's audit firm. A member of the Sub-Committe developed a computer model of College finance which permitted several variables to be adjusted to reflect diverse assumptions about the future. The Sub-Committee concluded that current revenue sources may not be sufficient to fund current expenditure levels, and the shortfall could become more serious in the future unless ways are found to reduce expenditures or increase revenue or both. The Finance Sub-Committee did not attempt to evaluate the recommendations of the Program or Facilities Sub-Committees, except to note that the budget projections they used assumed continuation of current expenditure levels with no new programs or building costs projected.

The Committee identified a number of program areas in which the College could serve the educational needs of the Tri-Counties better. They further noted several areas in which College facilities need to be improved or replaced to accommodate the students who want to attend the College. Finally, the Committee became aware that the current levels of College revenue may not be sufficient to meet current or projected expenditure requirements.

REPORT OF THE PROGRAM SUB-COMMITTEE
DELTA COLLEGE
COMMITTEE OF 100

A. Historical Perspective

In the mid-1950's, the counties of Bay, Saginaw and Midland established ***"The Committee of 300"*** to consider the possibility of establishing a college to serve the three counties. After more than a year of study the Committee released its report in October of 1956, which contained the following conclusions:

1. The higher education needs of the Tri-Counties can be best served by a jointly operated and funded college.

2. The college should be open to students who are high school graduates or equivalent.

3. The college should offer courses which:

    a. Prepare students for advanced degrees
    b. Prepare students for occupations
    c. Provide continuing education to area residents
    d. The College should become a cultural center for the area

4. The college should be governed by a board elected by the Tri-Counties.

5. The college should be financed by:

    a. State funds
    b. Student tuition
    c. Local property tax

The report of ***"The Committee of 300"*** served as the basis for the establishment of Delta College, provided the direction for the college, and helped lead to its current record of service, reputation, and its success to date.

B. The Present Situation -- 1989

In the fall of 1988, upon the recommendation of President Donald J. Carlyon, the Delta College Board of Trustees requested the formation of a new committee of community leaders. ***"The Committee of 100,"*** to serve in a similar capacity to recommend the role and direction of Delta College into the 21st century.

The charge to the Committee of 100 was stated as follows:

"The Committee should prepare a series of recommendations for consideration by the Delta College Board of Trustees that identifies future direction for the college. Those recommendations should particularly address:

1. The extent to which current programs meet the current needs of the constituency of the college.

2. The programming areas that should be explored to meet the anticipated needs of the citizens of this area into the future.

3. The extent and manner in which current facilities are being used.

4. The need for additional facilities which may be needed to support the programming identified in (1) and (2), and,

5. The adequacy of current revenue sources to fund college programs now and as they develop in the future."

Robert L. Hetzler was named Chairman of the Committee of 100. Three sub-committees were formed:
Sub-Committee on Facilities, chaired by Andy Anderson;
Sub-Committee on Finance, chaired by Gary Clark; and
Sub-Committee on Programs, chaired by Donna J. Roberts.
Each sub-committee was given a charge.

"**The Program Sub-Committee** should review the current status of college programs and consider how well they meet the needs of the Tri-Counties. Generally, the sub-committee will prepare its recommendations for consideration by the Facilities Sub-Committee first, subsequently by the Finance Sub-Committee, and finally, by the Committee-of-the-Whole of "The Committee of 100."

Specifically, the sub-committee should consider the following questions, among others:

1. Are the current college programs of a type and quality to meet the current needs of the college constituency for the first two years of a baccalaureate degree and what changes might be necessary in the future?

2. Are the current college programs of a type and quality to meet the current needs of the college constituency for two-year associate degrees and one-year certificates and what changes might be necessary in the future?

3. Do the short-term occupational and contract training programs of the college meet the current and future needs of businesses and workers in the Tri-Counties?

4. Are there any programming areas that the college should consider expanding, reducing or adding?"

The Program Sub-Committee organized into four Work Groups to study each facet of the Sub-Committee's charge:

College Transfer Programs -- Larry Engel, Chair
One and Two-Year Occupational Programs -- David Kellom, Chair
Short-Term Occupational and Contract Training Programs -- Charles Parke, Chair
Program Expansion, Reduction or Addition -- Edward Steinhoff, Chair

The balance of this report is based on the study, evaluation and conclusions of the four Working Groups.

College Transfer Programs

Larry Engel, Chair
Victor A. Finch
Leroy Hampton
Linda Heemstra
Kirk Hudson
George Owen
Mary W. Princing
Sherri Tiderington
David Wierman

In a series of meetings, this Working Group explored the questions, "Are the existing college programs of a type and a quality to meet the current needs of the college constituency for the first two years of a baccalaureate degree? What changes might be necessary in the future?"

A. Approach

During the course of several meetings, the following people made presentations to the group: Sue Montesi, Dean of Enrollment Services; Dick Wirtz, Retired Director of Admissions; Burt Fettig, Dean of Students and Co-chair of the Delta/North Central Accreditation Association Study.

Members received the following publications to supplement the presentations:

North Central Accreditation Association Self Study by Delta College, 1983
North Central Accreditation Association Visiting Team Report, 1984
1988 Delta College Graduate Follow-up Study
1987 Delta College Transfer Student Study
MACRAO (Michigan Association of College Registrars and Admissions Officers) Agreement between Michigan Community Colleges and 4-Year Colleges and Universities
Unpublished Manuscript by Stuart Gross, "History of Higher Education in the Saginaw Valley"
Final Report of the Committee of 300
Packet of enrollment and demographic data on the Tri-Counties

B. Conclusions

The group found that the transfer of Delta students to four-year colleges and universities is working well. Delta has entered into an agreement with the Registrars and Admissions Departments of most colleges and universities that assures that when students complete their required courses at Delta, those requirements will be accepted at the universities. A system has been devised at Delta in which students can obtain curriculum sheets which tell them which Delta courses will meet transfer requirements of specific institutions. These sheets are constantly updated by college personnel to insure that students have current information. In addition, students have access to a computer which provides current information on transfer requirements any time it is needed. The only problems that occur with the system is when students change their minds about the university to which they wish to transfer or change majors. Delta has studied the degree of success of Delta graduates when they transfer. While there is some variation between the universities, on the average, Delta students receive grades after transferring that are very similar to the grades of students who started out at the university. The students expressed general satisfaction with their preparation at Delta; however, they did indicate that Delta should require more writing assignments.

C. Recommendations

1. Delta should continue to work with the MACROA organization to involve all universities in agreements.

2. The key to minimizing students having transfer problems is effective communication. While the college has a good program in place to communicate transfer regulations to students, improvements and new procedures should be continuously explored. Improved communication of regulations should also be attempted with parents and high school counselors.

3. Many students who initially indicate a desire to transfer, fail to do so. Improved counseling may help to reduce this number. Also, a more systematic way to introduce the new enrollee to the MACROA tracking system and to insure his/her understanding of the system may help to reduce transfer problems.

4. George Owen, a member of the Work Group, developed a proposal for identifying outstanding students and helping them to consider curricula and transfer institutions that may be beyond the scope of their previous thinking (see appendix I). That proposal should be investigated with transfer institutions and funding sources to determine its feasibility. The proposal should be directed to the Honors Program Director and Fund Development Office.

5. The first two years of the Physician's Assistant Program is recommended for study and consideration by the College as a potential transfer program.

One-Year and Two-Year Occupational Programs

David B. Kellom, Chair
Roosevelt Austin
Carolyn Fraser
William H. Haithco
Tom Rodriquez
Jane Rogers
Anne Schilling
Joan Trinklein

The charge of the group was to consider the following questions: "Are the current college programs of a type and quality to meet the current needs of the college constituency for two-year associate degrees and one-year certificates? What changes might be necessary in the future?"

A. Approach

The Work Group heard presentations by Sue Montesi, Dean of Enrollment Services; Dr. Terry Cline, Vice President of Instruction; Owen Homeister, Dean of Health and Sciences; met with Midland ISD staff and Midland County educators; and received the following printed information:

Delta College Catalog
Delta College Academic Course Descriptions, 1988-89
Community Affairs Short Term Occupational and Training Programs, 1988-89
Training Toward the Year 2000, Annual Report of the Corporate Services Office
Advisory Council for Evaluation (ACE) Reports

B. Conclusions

In summary form, the Work Group concluded that current Delta programs seem to be of a quality and type to meet the current needs of students seeking an associate degree or one-year certificate. However, even good things often can be improved; job requirements may change rapidly; the quality of graduates must continually be improved. Therefore, changes to encourage on-going planning, to provide remedial instruction where necessary, to provide more convenient locations off campus and facilities designed for modern technology, and to keep an even sharper eye on regional needs seem essential. In addition, there is a need to improve local and regional community awareness of and pride in Delta College as a vital and valued community resource. Delta College does have, in fact, a strong reputation for excellence that need not, and should not, be hidden.

C. Specifically, the group made the following Recommendations:

1. Identified program needs.

   a. Anticipated increases in need for health occupations requires greater efforts to recruit qualified students for those programs.

   b. Consider developing a Physician's Assistant Program to enhance health services in rural areas.

   c. Offer more programs in condensed time periods for the unemployed.

   d. Offer more computer training classes for local businesses.

   e. Respond more rapidly to new program ideas.

2. Student Services

   a. Continue to support the Mid-Michigan Minority Pre-Engineering Program and other programs to increase college enrollments by minority students.

   b. Provide more career planning assistance to students.

   c. Review math and science requirements for existing programs to insure that they are necessary and consider new programs without advanced math and science requirements.

3. Facilities - On Campus

   a. Equip rooms for high tech instructional techniques.

   b. Space for students to study on campus between classes is very limited. Develop additional study space.

   c. Additional space is needed for business and technology labs and library expansion.

4. Facilities - Off Campus

   a. Increase use of off-campus teaching sites.

   b. Reach out to smaller communities and rural areas.

   c. Consider consolidating some of the smaller off-campus sites to increase class options at the sites that remain and to provide support services.

   d. Aggressively explore renting instructional space at Bay/Arenac and Saginaw Skill Centers.

5. Administration - Community Outreach

   a. Increase local awareness of the college.

   b. More aggressive selling of the college to the district.

   c. Seek ongoing citizen input to the college, perhaps by a modified Committee of 100 meeting periodically (every 5 years?)

6. Administration - Planning

   a. Increase college long-range planning, particularly in such areas as marketing, public relations, and systematic contacts with the business community.

   b. A committee or "Presidential Think Tank" should be organized to advise the college on business training needs in the district.

   c. Establish priorities and insure that the highest are accomplished in a timely fashion.

   d. Changes proposed in this and other reports should be started promptly to reduce the need for substantial changes later.

   e. Long-range planning and program evaluation should be addressed soon.

7. Administration - Staffing

   a. Develop more opportunities for faculty to acquire new knowledge.

   b. Recruit faculty with a commitment to life-long learning.

   c. Improve coordination between Academic and Community Affairs.

   d. Continue to develop partnerships with local businesses and institutions.

   e. Devise ways to channel telephone calls from the community to appropriate offices without repeated transferring.

Short-Term Occupational and Contract Training Programs

Charles C. Parke, Chair
John R. Abbott
Kevin J. Collier
Robert Goodenough
Meade Gougeon
Thomas J. Jacoby
Robert C. Stein
Ricardo Verdoni
Doris Williams

A. Approach

The charge of the group was to explore the question: Do the short-term occupational and contract training programs of the College meet the current and future needs of businesses and workers in the Tri-Counties?

The group met with and heard presentations by the following College officials: Darrell Berry, Dean of Academic Affairs, Occupational Programs; Willie Richardson, Dean of Community Affairs; Gene Packwood, Director of Research and Development. In addition, Wes Stephens, Coordinator of Quality Programs in the Corporate Services Office acted as a facilitator when the group used a "storyboard" technique to develop a model process for responding to local training needs. Tom Trezek, Jack Jonker and Darrell Berry reviewed the model and suggested additional issues which the group considered. Finally, members of the group brought diverse experiences with identifying training needs, developing training programs, and working with various elements of Delta in arranging training programs.

B. Conclusion

The group recognized that the nature of work is changing dramatically now, and the pace of change will accelerate in the future. A person who completes college in his/her adult years can no longer expect that training to conclude the need for structured learning. People can expect to spend varying periods of time in learning situations throughout their career and into retirement. Because much of that learning is likely to occur in programs arranged and paid for by employers, the charge of this work group is particularly important to the College and the continued development of the Tri-Counties.

The College presently offers contract training through several offices, and the quality of that training is very good. Many businesses in the Tri-Counties have made use of college training programs and have been generally satisfied with the result. Because training involves some diverse subjects, it did not seem practical for the group to evaluate each segment of training that might be offered in the future. Rather, the group concluded that it would be most helpful to develop a process or model for training that would help College officials understand how to respond to local training needs in the most expeditious manner possible. The model contains several elements that are already being done well, along with suggestions for improvement. Following the development of the model and review by College staff, the group reponded to a series of questions posed by College staff which forms part two of the recommendations. Finally, the group developed a series of recommendations on a range of related topics that were the product of group discussion, previous experience, or thoughts of group members.

C. Recommendations

1. Delta Model for Responding to Contract and Short-Term Training Needs.

   The rationale for developing the model was that, regardless of training subject or company, if the College follows the process identified, the training will be developed and delivered in a manner that effectively meets the needs of local businesses and workers.

   Planning Model - See attached.

2. Other Questions about Training Programs

   a. Whom should the College target for training?

      Currently employed people needing skills upgrading.

      Unemployed or under-employed people seeking work.

      People who discover they lack skills when they go out into the job market.

      Training should match future needs of current organizations.

      Source of ideas for training should include state and local governments, Chambers of Commerce, Small Business Assistance Centers, manufacturers of products that require trained installers or service personnel.

   b. What level of training should the College provide?

      State certified, licensed, or mandated programs.
      (Asbestos inspection, waste water technician, etc.)

      Journeyman training.

      Whatever skills needed to keep currently employed local people working.

      Chemical Operators

      Developing personnel for local companies which provide services to local manufacturing companies.

   c. How to learn of training needs.

      Regular contacts with local business. Sales calls.

      Respond better to requests as they come in -- see process developed previously.

      Become aware of programs of larger companies to get smaller, supplier companies to improve quality, reduce cost, change production methods, etc.

      Make smaller companies aware of "on the shelf" training programs and televised training programs.

d. Where to get resources for training? (Equipment, faculty, buildings?)

Train on the companies' site, not at the College.

College needs to become a "just in time" supplier like other support companies. Find sites close to company locations if no training sites available on company property.

Use current or former employees as instructors.

Work with vendors to locate both equipment for training and trainers.

A lot of money currently being spent by local business on training -- Delta simply has to go after it more aggressively.

Delta needs to look at such basics as how to get people from their homes to a training site -- perhaps by a bus or charter city buses.

Empty school buildings.

e. What changes in training needs over the next 10 years?

Need to work with employers to understand what changes they are making, or are being forced on them, and help them to make those changes.

Internationalizing of business -- need for special foreign language training.

Many potential employees, particularly minorities, could become qualified for jobs with proper training which the College could provide.

3. Related suggestions for training programs

a. Working with smaller companies to arrange training is more difficult than working with large companies, but the need is great, and the College should vigorously attempt to work with smaller companies.

b. An advisory committee on training should be established to help identify both potential training contacts and subject areas in which training programs should be developed.

c. A publication should be developed which identifies specific training information, and it should be mailed to area businesses.

d. Arrangements should be made for College speakers to give presentations on training programs to area businesses and business groups.

e. Delta has an important advantage in developing training programs -- close proximity to local businesses. In addition, taking training directly to work sites helps to significantly reduce the cost of training to employers.

f. Consideration needs to be given to raising the pay rate for area professionals to make it feasible for highly skilled people to teach at Delta.

g. Delta must keep looking at the future so that the College can respond appropriately to new needs and challenges. A group like the Committee of 100 should be established in five to ten years to help the College focus on the horizon.

h. It will become increasingly important for local employers and employees to see and hear new developments as soon as possible. Teleconferencing seems likely to grow in importance as a way to bring nationally significant developments to the attention of local groups. The College's teleconferencing capabilities need to be enhanced.

i. School buildings (particularly the vacant high school in Saginaw Township) are available for rental or purchase. Delta should make use of vacant buildings where possible.

j. Delta needs to be sure that graduates have good reading and writing skills as a foundation for other skills.

k. Fund raising needs to be organized to enhance basic functions of the College.

l. Local companies have hired and trained very capable minority employees. Delta should attempt to use them as role models and mentors for minority students.

m. Delta needs to increase the percentage of minorities attending the College, if for no other reason than minorities are a growing proportion of the Tri-Counties.

n. More thought needs to be given to off-campus offerings to broaden offerings in key locations.

o. The major cities in the Tri-Counties each face urban decay. Delta must be part of the solution to those problems.

p. Delta should carefully consider how participation in training programs could apply to degree programs. People who earn some credit in training programs would be much more likely to continue to take credit toward a degree.

The Working Group developed a model for identifying training needs in the community and to guide College officials in responding to those needs. A copy of the model follows.

TRAINING MODEL FOR DELTA COLLEGE

Non-Academic Programs

Short-Term Training

Programs that are Less than Degree

HOW COULD (OR SHOULD) THE COLLEGE IDENTIFY NEEDS FOR THESE TYPES OF PROGRAMS?

TREND SOURCES

Demographics
Training for What?
Job Projections
Direction of Technology
Local Trends
Employment Opportunities
Identify Area Resources

BUSINESS REQUESTS

New Certification Requirements for Specific Jobs (water treatment technician)

Communications from Business

PARTICIPANT REQUESTS

Assessment of Skills

Communications from Workers

GOVERNMENT AGENCY REQUESTS

Social Concerns

Communications from Government

HOW DELIVERED?

FACILITIES

Location of Training

Equipment Availability

Adequate Facilities

CONSISTENCY

Structure of Delivery Service?

Reasonable Pricing

INSTRUCTORS

Availability of Competent Instructors

Maintain Student & Instructional Records

Issue Certificates of Completion

PROGRAM EVALUATION?

Process Evaluation

Feedback Evaluation

Evaluation From
- Participants
- Instructors
- Customers & Business

WHAT CONCERNS WITH DOING THIS KIND OF PROGRAMMING?

Lack of consistent contacts with local businesses

Problems of finding right department at Delta

Do small companies get overlooked?

Parking at Delta

Determining proper prerequisites for participants

Who is Delta contact person with local businesses?

Need good communication

Delta needs to identify champions and let them run with programs

ONCE NEEDS HAVE BEEN IDENTIFIED, HOW AND WHAT INFORMATION SHOULD BE GATHERED?

FOCAL POINT OFFICE

Does the need fit the mission of the College?

Resources needed/available to meet the need?

Exit criteria for successful response to need

PREVIOUS EXPERIENCE

Contact other community colleges

NEW OR UNIQUE NEEDS

Readiness of this area for a program

Frequency of need for training and number of people needing training?

OTHER SOURCES OF INFORMATION

Other training providers (competitors)

SPECIAL CONSIDERATIONS

Union compatible?

On site/off site possibility of offer-college credit

HOW SHOULD THE PROGRAM BE DESIGNED?

Develop New Program or Modify Existing Program

Advisory Committee

Instructional Design

Avoid Copyright Problems

Course Format?

How would the Model Work?

The model presents a series of points which College officials should consider when working on contract training. Some of the points may not be appropriate in every situation; however, the group believes that, in total, they present an outline of how the College should work in the areas of short-term occupational and contract training.

An example may help to clarify how the model could be used. Information for the example was assembled by Robert Goodenough a member of the group.

City and county officials are aware that the State of Michigan requires operators of water plants to be properly trained (Trend Sources). There are few qualified personnel in the local labor supply, particularly minority operators. Local officials could request the College to start to develop such a training program (Governmental Agency Requests). In this particular example the request would not come from a participant or business.

Once the request is received, the College would need to, working with local officials, determine answers to questions on facilities to conduct training, can the College consistently provide the training at a reasonable price, locate qualified instructors, and develop evaluation procedures to insure that the program properly trains people.

Experience generally with training and/or Delta training programs suggests some concerns that need to be addressed by the College in planning programs. For example, can parking problems be resolved, finding the right department at Delta to arrange training, what previous levels of training are needed for participants in a program?

Once needs have been identified and attention given to specific concerns, a series of specific questions are suggested in the model that should be helpful to review if a contract program can be implemented, where instructional information can be obtained, and how the program should be designed. In the example of Water Plant Operations, the questions suggest some particularly useful planning guidelines to develop a training program.

The model developed by the Work Group is not intended to be a comprehensive guide to program consideration and development. Rather it was developed as a starting point for the College of a process to discover training needs and respond to them in an effective manner. The model should be expanded and modified to mirror changing experience with contract training. It may be desirable for the College to create a training advisory committee to bring training needs to the attention of appropriate offices, as well as to improve the way the College responds and considers those needs.

Expansion, Reduction, Addition, and Removal

Edward Steinhoff, Chair
Dempsey Allen
Patricia Carrigan
Donald Hare
Gilberto Guevara
Russell Frazier

In a series of five meetings from January 28, 1989 through March 21, 1989 this Working Group explored the question, "Are there any program areas that the College should consider either expanding, reducing, adding, or removing?" This report summarizes the Group's activities, conclusions, and recommendations.

I. Background Building

A. Approach

To gain a common starting point, the Group began by exploring two basic background subjects - the mission of Delta College, and the process by which the College currently makes program expansion, reduction, addition, and removal decisions.

1. **Mission.** Don Carlyon, President of the College discussed the mission and similarities and differences between the mission of Delta College and the missions of other nearby post-secondary educational institutions.

2. **Current Process.** Gene Packwood, Director of Research and Development, led a discussion on the process the College currently uses to make program expansion, reduction, addition, and removal decisions.

B. Conclusions

1. The mission is deliberately broad and permits some overlap with other institutions. The most visible duplication is with SVSU in offering the first two years of four-year degree programs. There are some meaningful differences in the ways these two institutions approach that two-year program so the duplication may in fact be constructive competition and may provide some advantages that may offset the potential economic disadvantages of duplication.

2. The current process for making program change decisions appears to be generally sound. It is, however, generally reactive in nature with respect to potential new programs. (It is activated only when a new program is suggested by someone, not by a pro-active monitoring of employer needs.)

3. Program requirements for transfer students (those pursuing the first two years of a planned four-year degree) are determined largely by the institutions to which the students transfer. There seems to be little the Working Group can contribute to the way decisions involving the future direction of these programs are made.

C. Recommendations and Plans

1. For the student, the first two years of a four-year degree program costs considerably less at Delta than at SVSU ($38/credit hour vs. $55/credit

hour). The College should maintain a program to continuously track the relative cost and efficacy of transfer programs. If the current differences are real and sustainable they should be better publicized.

2. The College should adopt a more pro-active process for identifying Tri-County area needs for new programs. Possible methods could include standing program steering committees composed of a wide cross-section of community representatives and/or periodic surveys of major area employers. This process should be capable of determining not only the jobs to be filled in the future, but also the types of skills individuals will need in order to perform future jobs successfully.

II. Future Jobs and Skill Needs (Not requiring four-year degree programs)

A. Approach

The Working Group gathered information and opinions on this subject from the following sources:

The Dow Chemical Company - David Archbold, MI Division
Consumers Power Company - John Russell, Corp. Econ. Dev. Staff
St. Luke's Hospital - Marian Purdue, Director of Nursing
General Motors Corp. - Written summary provided by Pat Carrigan
Video Tape by educator - Willard Daggett
Knowledge and experience of Working Group members

B. General Findings and Conclusions

In the 28 years since Delta College opened, the nature of jobs available to graduates of two-year "occupational" programs has changed dramatically. The continuing explosion of technology and rapid globalization of most economic activity will cause even greater change in the next ten years. Many jobs of the year 2000 do not exist today, and many of today's jobs will be gone by the year 2000. Even an individual who spends a full career accomplishing the same result for the same employer will change "jobs" seven to ten times during that career.

There is now a realization that continuous training has become a way of life. An educational model that assumes two years of post high school occupational training can prepare an individual for a full (30-40 year) career is being replaced. The emerging model is based on college-led education based on broad skill areas and employer-led training and retraining throughout a career. This approach will permit workers to adapt to changing job technology and to perform jobs that cross and/or combine traditional occupational fields.

Other general background trends include:

Economic growth in the Tri-County area will continue, based on the assets of an available skilled work force with a good work ethic and the easy access to Canadian and world (via a seaport) markets. A work force that is seen as well trained, flexible, and cooperative can help facilitate growth.

Jobs in the service sector will continue to grow more rapidly than in the industrial

sector as manufacturers continue to "out source" various service activities (custodial, maintenance, training, etc.) As an overall worker shortage develops, competition for the few good people will cause the equalization of wages between these two sectors.

The following specific conclusions and related recommendations were developed based on this general background.

C. Specific Conclusions

1. There are many "core skills" that new job entrants will need in order to be capable of participating in a mode of "continuous retraining." These include basic levels of reading, math, and science; communication, human relations and teamwork skills; computer "literacy;" and the willingness and desire to keep learning. Delta College programs are not generally designed to provide and enhance these core skills.

2. Industrial employers generally recognize the need for constant and intense retraining of their entire work force and are beginning to commit the time and money to get that training in place. Some employers in the service sector are not far behind. The retraining of existing workers -- from remedial skill building to occupational updates --is a major need and opportunity. Delta College may not be able to handle some aspects of retraining current workers. Programs that are specific to a single employer will need to be done on the employer's premises, and sometimes the cost of serving small classes and/or the existence of proprietary technology may limit the degree to which Delta College can be effectively involved.

3. The rapid rate of technology change makes it increasingly difficult for Delta College faculty members to stay current with the specific ways jobs are being performed. Faculty members also need constant retraining.

4. Young minorities are currently not attracted into Delta's two-year programs and into the jobs related to these programs.

5. Several specific opportunities for potential new occupational programs were identified. They include:

   Medical Records Technician
   Radiation Technician
   Para-professionals for mental care and substance abuse care/counseling

C. Recommendations

1. A list of "core skills" (such as those listed in Conclusion 1) to be demonstrated by the graduates of all occupational programs should be developed. All programs should be examined to be sure they teach these skills, and if not, should be redesigned to incorporate them. The interdisciplinary application of these skills to practical situations should be emphasized.

2. A broad approach to accelerating involvement in the retraining of current workers should be considered. Delta College needs to fully identify the strengths it can bring to that overall need as well as any limitations that might exist. The result of this strategic planning activity could be a decision to rapidly accelerate activity in this area or to continue in the current more "reactive" mode.

3. A broad approach to "continuous retraining" of occupational program faculty members should be developed and pursued. The use of creative structures with links to employers such as exchange programs and job sharing should be considered.

4. Information about needed occupations and related College programs should be made more widely available to all potential students, and particularly to potential minority students.

5. The potential programs identified in Conclusion No. 5 should be evaluated promptly and, if warranted, pursued.

6. A broad public relations program should be considered to help Tri-County citizens better understand the College's capabilities and the contributions being made by its graduates.

7. Formal, broad-based study of future jobs and related skill needs should again be conducted by a committee of interested citizens no later than 1999, and every ten years thereafter.

APPENDIX I
(Very Tentative First Draft)

THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★SCHOLARS

— A Program to Produce Leaders of the Next Generation

Rational for the Program:

The goal of this program is to recognize students who have the capability to be leaders of the next generation, but who probably will not be because they lack the vision and aspiration to fulfill their capabilities.

The members of each generation of students graduating from high school fall into groupings: some are talented, others are limited in talent; some are disciplined, others are unruly; some have a clear picture of the routes they wish their lives to follow, others have only a hazy picture of these routes or no picture at all; some have support from their families in achieving their goals, others have little or no family support; some are leaders, others are followers. The potential leaders are jewels whose contributions in the future to our society can be immeasurable. They are too valuable a resource to be lost. It is these potential leaders to whom this program is aimed.

Yet in each generation some of these potential leaders will be lost. They are bright, they have a disciplined approach to study and learning, they are honest and straightforward, but they lack one attribute of leadership: they do not see their futures clearly enough to move confidently to the front.

Every experienced high school teacher has known such students. They approach graduation from high school as though it is the end of the road. Often they are the first member of their families who has even gone this far educationally. In their homes no one speaks of going to college because none of their elders has ever gone to college. No one paints a picture of the business world, the professions, governmental service to these students because no one has ever experienced these worlds. Teachers, counselors, ministers may seek to give these students a larger view of the lives that could be theirs, but the influence of these adults is peripheral. It rarely overcomes the total lack of support the student receives from his family, his peers and his community.

In demographic terms, these students are often African-American children from the ghettos of our cities, Hispanic children from city barrios or the fields in which migrant workers spend their lives, ethnic children whose parents work in the factories and have little education themselves, the sons and daughters of mothers whose schooling and future ended with teenage pregnancies. These students are to be found in virtually every sub-group within our society.

It would be unrealistic to suppose that all students who fall into this grouping have the potential to be leaders. Of course this is not true. In any grouping of humans, only a few have the capability to lead. But even in the grouping of students who lack aspirations and vision, there are a few who could be leaders. These are the ones their teachers, counselors, ministers try so hard to motivate. They may teach these students well, develop their sense of discipline and dedication, hone their awareness of morality and ethics. But they cannot get any further. Their efforts, unfortunately, usually fail in one crucial way: they cannot give these students a vision of the life that could be theirs and the contributions they could make to the society in which they will live.

THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ SCHOLARS Program in Operation:

Sometimes teachers, counselors and ministers succeed in getting such students to try college. "You are bright," they tell these students. "You made excellent grades in high school. Your test scores are very commendable. You've demonstrated your ability to concentrate, study, learn. You should go to college." Sometimes, not frequently, the message is heeded.

The college to be attended is often the local community college. Harvard, Stanford, Duke, Northwestern -- these are names of colleges so remote to the students' experience that they may not even know where in the U.S. these institutions are located. Recognized state institutions fare little better. They're big, impersonal, farther away from home than these students have ever been. And college is expensive. Where will they get the money for tuition, books and fees, let alone the costs of room and board? Scholarships? They might win one on the strength of their academic records and test scores, but they cannot supply the additional funds the scholarship stipend doesn't cover. Financial aid, work-study programs, Pell grants? It's all so far beyond their experience that it's just overwhelming. And no one in their families is encouraging them to try. So if they go to college at all, the college is likely to be the local community college.

The community college's small classes and supportive atmosphere may move these students along toward something better than they have ever known. But this increment is small and years are going by. What is needed if these students are to achieve their potential is a quantum leap forward. They must see the possibility of a road ahead that they have never before imagined. It is the provision for this quantum leap forward that is the essence of **THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ SCHOLARS** program.

Suppose that the community college's teachers and counselors could say to such a top-notch student: "You've got ability. There is no professional career for which you could not quality. And our society needs the contributions which you could make."

"You've got two years of college study ahead of you here at our community college. Then you can transfer to a four-year institution for your final two years of college. If you work hard here for two years and establish a record of accomplishment at a high level of excellence, we'll arrange for your transfer to an outstanding program in a widely-known college. Graduates of that college in our community are ready to help you. They will help you understand, over the next two years, what life at that college will be like and what you must do there to succeed. They'll keep in touch with you while you're attending that college. And when you are graduated from that college, you'll be prepared for a life that has so many possibilities we can't even list them now."

"Furthermore, you'll be able to go to that college on a full-ride scholarship, just like big-time athletes do. There is just one requirement, and it's a big one: your record of accomplishment must continue. You must continue to do academic work of outstanding quality. You must take a leadership role in the student life of our community college and the college to which you will transfer. And you must continue to demonstrate the high standard of ethical life which has got you this far and which is an important part of the basis on which this opportunity is offered."

"What do you say? Do you want to try?"

Educational Programs Selected:

THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ SCHOLARS program seeks to remedy the lack of vision and aspiration which is the common element in so many students who have potential but fail to live

up to that potential. **THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ SCHOLARS** will not be every one of these students. They will be only those who learn well, lead in the scholastic society in which they are living, and live exemplary lives. They will be those who earn leadership, not those upon whom leadership opportunities are squandered.

To test the hypothesis upon which this approach is based, a limited number of programs of demonstrated excellence will be utilized. These are:

— The international business program at Kalamazoo College

— The undergraduate programs at Morehouse and Spelman Colleges in Atlanta, Georgia

— The chemical engineering program at Michigan Technological University

These are institutions with unquestioned reputations for excellence. The programs selected have especially important meaning for the next several decades of U.S. economic, social, and technological life. They are institutions and programs which train leaders.

To identify the three programs in the public's mind, they might be personalized by naming each one after an outstanding leader of a local corporation. For example, the opportunity at Kalamazoo College might be called:

THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ AWARD for the STUDY OF INTERNATIONAL BUSINESS

The opportunity at Morehouse/Spelman might be called:

THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ AWARD for STUDY at MOREHOUSE/SPELMAN College

in recognition of one of a corporation's illustrious African-American leaders. Similarly, the opportunity at Michigan Tech might be named for one of a corporation's outstanding chemical engineers.

The number of programs has been limited to three because this is an experimental test of a hypothesis. The limit is placed, also, in recognition of the costs of the effort.

Costs of the Experimental Program:

If **THE ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ SCHOLARS** program were continued until five students had gone through it, the costs would be for two years of college study for five students, or ten student years. If the total cost of a year's study for one student at these institutions is $13,000 - $15,000 today, then the total cost would be between $130,000 and $150,000. Between the time the first student starts his or her first of two years in the program and the time the fifth student completes his or her second year in the program, a minimum of six years might elapse.

It is quite probable that this minimum would be exceeded by several years. The reason for this is that **THE ★ ★ ★ ★ ★ ★ ★ ★ ★ SCHOLARS** will be selected most carefully. In any given year at Delta College, there may be no student who could meet the exacting standards expected. Part of the criteria upon which this program would operate is the expectation of excellence. In any year in which there is no student who meets this expectation, no award would be given.

Demands on Delta College:

This program envisions a stern level of demands not only on the students but also on Delta College. The requirements for the student have been described above. The demands on Delta College will be equally rigorous. No student will be named a ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ **SCHOLAR** unless he or she is recommended for this honor by the faculty. In making its recommendation, the faculty will state unequivocally that the education the candidate has received during his or her first two years at Delta College will unquestionably prepare the student, in every way, for the academic demands of the institution to which the student will be admitted for the third and fourth years of college study. The quality of the student's leadership while at Delta College will also be evaluated. The faculty's recommendation will be made to the President of Delta College. the President will certify that the quality and breadth of the education the candidate has received in the first two years, and the attributes of his or her leadership, is of a level of excellence which meets the standards of **THE** ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ **SCHOLARS** program and the standards of the institution to which the student will be admitted for the more advanced work which is to come.

The purpose of these requirements for the faculty and President of Delta College is to go beyond the completion of a mere listing of courses to be completed with grades closer to A's than to B's, or a fixed number of term papers to be written, or an established level of test scores. It is to require an unequivocal commitment to a high degree of excellence for the college staff to match the degree of excellence required of the student. To ask a corporation or a foundation to commit perhaps $150,000 of its funds for a program of this sort without a demanding commitment such as this by Delta College is unthinkable.

The Future of the Program?

What is the future of this program if the hypothesis upon which it is based is demonstrated to be true? For at least a century, organizations throughout the U.S. and the rest of the world have attempted to select leaders among the coming generations. Some have succeeded to a universally-recognized degree: The RHODES SCHOLARS program at Oxford University might be one outstanding example. Others have failed after spending small, and even large, fortunes in the attempt. It would seem that, if **THE** ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ **SCHOLARS** program is as successful, for example, as the RHODES SCHOLARS program has been, the incentive to continue the financial support from a number of institutions after the experimental program has been completed would be overwhelming. Who, having the funds at his disposal, would not invest $30,000 to produce one outstanding leader for the next generation? It would be an investment which would pay off handsomely.

And if the program fails? Then it should die and its costs accepted as the costs of another failure in the never-ending attempt of human society to make its future better than its present is.

REPORT OF FACILITIES SUB-COMMITTEE

DELTA COLLEGE

COMMITTEE OF 100

Andy Anderson, Chair
Roger Beck
Mary Bleau
Helen Brennan
Ruth Charbonneau
Margaret Clark
Ann Cowles
Barbara Day
Barbara Ewend
Lois Folkert
Gil Foster
Frank Gerace
Kyle Haselden
Richard Heuschele
Elmer Hollenbeck
Douglas Keblbeck
Sally Morley
Edward Napierala
Jane Olivarez
Paul Olvera
Thomas Princing
Marian Purdue
Robert Rajewski
Sidney Schneider
Jack Shaw
Candace Smith
Joyce Smith
Fred Snider
Duane Swift
Daniel Toshach
Tyler Van Alst
Cliff Van Dyke
David Wallace
Curtis White
Hal White

A. Approach

The sub-committee has extensively toured Delta College facilities, in the evening and during daytime periods when student volumes are high. Larry Ramseyer, Physical Plant Director, attended every meeting of the group to answer questions; and Don Carlyon, President of the College, and Will Reading, retired Physical Plant Director, shared information on the College master plan, rationale for plant layout, and the philosophy that has guided building construction and renovation.

1. Parking

Delta has over 3,000 parking spaces; however, because of the volume of people driving cars on campus and the sprawl of College buildings, there are not enough parking spaces in high demand areas. The Sub-Commitee recognized that, short of building very expensive high rise or below grade parking facilities, a certain amount of walking would be required of students and campus guests. The distances involved at present are consistent with area shopping malls and other college campuses. In the future, more spaces may be needed; however, it will be impossible to insure enough parking spaces to substantially reduce the walking distance to College buildings.

While the general parking problem is likely to be ongoing, there are improvements that should be considered to improve the parking situation. Signs on campus and in parking areas should be carefully reviewed and a plan developed to improve directional information for students and guests. Lighting in parking lots should be reviewed to insure that people leaving the building at night can easily and safely reach their cars. The grassy mediums between parking rows add to the esthetics of the campus, but

they also reduce the number of cars that can be parked in the east and west lots. Consideration should be given to eliminating them to increase parking spaces in high demand areas.

2. Physical Condition of the Buildings

Considering the age of the buildings and the volume of people using them on a regular basis, College buildings are in remarkably good shape. No small part of the reason for that condition is the quality of materials and workmanship that went into the original construction, and the thought that went into the original building design. It was generally recognized by the Sub-Committee that the building is showing signs of wear consistent with a 30-year old building. Repair and remodeling of the building should be undertaken with the same attention to quality as the original project. Basic repairs and/or replacement of ceiling and floor tiles, windows, doors, bricks, etc., need to be done as soon as possible.

Even with the repairs noted here, the basic buildings will require more maintenance and repair in the future than they have in the past because of their age. These repairs need to be made in a timely fashion, rather than allowing them to accumulate. Serious consideration needs to be given to establishing a maintenance fund in the budget with an assured high priority that will assure that money is available each year to do essential repairs.

In the future, funds will be required to conduct inspections of College buildings for unacceptable uses of asbestos and removal where needed. Underground storage tanks will also require inspection and perhaps replacement if they are leaking materials into the soil. In future building or remodeling projects, more attention needs to be given to the most efficient and effective means of heating, ventilating and air conditioning the facilities.

3. Utilization of Space

The buildings appear to be well used during much of the day and in the evening. In spaces such as the library, television studios, east concourse, and some technical labs, conditions appear crowded. In particular, the library does not seem to have adequate space to house the collection, provide suitable seating for library patrons, or accommodate the needs of students for study space.

In contrast, the computer facilities in the administrative wing seem to have a great deal of space which could be assigned to other areas of high demand. Overall, the buildings seem to be well and appropriately used.

The age of the buildings and volume of use places a substantial responsibility on maintenance personnel to keep the facilities usable and attractive. Consideration should be given to alternate staffing patterns to insure that staff are available during the day to clean up spills, freshen up areas of heavy use, and keep the buildings clean for evening users.

The maintenance department will be losing several key staff people in the next five years because of retirements, particularly skilled workers who have been employed at the College for many years and have been responsible for specific functional areas. It will be important to put as much of their knowledge on paper as possible in the near

future so that their replacements and the College will not lose valuable information when they leave.

The transition of staff that will be occurring in the future also presents an opportunity to carefully review the extent to which specific types of employees should be on staff, and which could be brought in as needed from temporary employment agencies. The Sub-Commitee recognized that using temporary or contract employees has both advantages and disadvantages. The recommendation is simply to consider if, on balance, utilizing temporary or contract employees would meet the needs of the College more fully than automatically replacing current employees with similar employees.

4. Flexibility of Space

College space was designed to be adjustable to changing space needs. Flexibility has been an important characteristic of College space in the past, and it is expected it will be increasingly important in the future. Not only should consideration be given to making space adaptable to future needs, but care should be taken to insure that space is assigned to programs that need it. This will require a considerable amount of administrative flexibility and the establishment of processes to set and implement priorities for space.

5. Dormitories

The Sub-Committee had a division of opinion concerning the need for dormitories on a community college campus. There was agreement that the question of need should be carefully studied and clear conclusions reached as to why they are needed. The Sub-Committee is aware that some problems have occurred in the past with dorm students, misuse and abuse of facilities, etc., The dorms do, however, permit students to attend Delta who could not otherwise because of travel problems, home situations, and finances.

It is recommended that a committee be established to study the need for the dorms; and, if the conclusion is reached that dormitories are not needed, the committee should consider the highest and best use for the current dorms.

6. Auto Shop

The Sub-Committee was in complete agreement that the current facilities are inadequate and need to be upgraded. In addition to being a temporary building that has been pressed into service for automotive classes for the last 21 years, the building is removed from the rest of the campus and creates an impression that students in the program are not a regular part of the College. Consideration should be given to moving the automotive program into space closer to existing facilities. Consideration should also be given to bringing the automotive programs at the Buena Vista Center into a consolidated automotive space.

The Sub-Committee talked about the Buena Vista Center, as well as other facilities and equipment that have been donated to the College in the past. The group was in agreement that before gift properties are accepted a careful study should be done to identify uses for the property and costs of maintaining it.

7. Library –

Space in the library is currently inadequate for student seating, attractive display of books and periodicals, computerized information search equipment, and study by students. In the near term, study space adjacent to the library should be identified and converted to that use. Area libraries have progressed well with automation, and Delta needs to follow their lead. Renovating and expanding the library is part of the College master plan, and it should be implemented.

8. Food Service

The Food Service area is compressed into a very limited space to accomplish everything that is expected of them. The public eating area needs an extensive reworking. Lighting in the Commons is dull and dark and needs to be improved. The present three food serving lines are probably inconsistent with changing food preferences of the public and should be changed to permit greater customer flexibility and service. The section of the Commons facing the Courtyard should be studied to determine if a greenhouse motif could be used to make better use of outside light. A receiving area should be developed which permits delivery trucks to be unloaded from a ramp, rather than from the ground. In both the bookstore and the Commons, a professional consultant may be helpful in designing alternative space arrangements.

9. Bookstore

An analysis should be done of volume and cost factors in various types of products sold in the store. Space decisions should be made, in part, on the basis of that anaylsis. Textbook prices should be kept as low as possible. It would be valuable to think about alternative sites for the bookstore, perhaps in portable facilities, as a way to relieve space congestion in the Commons. Product display and space utilization should be studied by a consultant with experience in collegiate settings.

10 TV Studios

The current space for the television department is clearly inadequate. The current studio and office space was originially designed for library expansion; and, in view of the very crowded conditions in the library, the space is needed for that purpose. It was not clear to the Sub-Committee if the TV department should be on campus or off. If an off-campus site is practical, the Buena Vista Center would be an obvious possibility, assuming all automotive programs are housed on campus. If there are compelling reasons to keep the department on campus, alternative arrangements must be made to relieve an unacceptable situation.

11. On-Campus vs Off-Campus Facilities

The Sub-Committee spent a considerable amount of time discussing the relative merits of housing college programs on campus or off. The issue was not completely resolved; however, the following points were offered to provide some direction to College staff as they consider this question in the future. Off-campus offerings have important advantages; among them are the increasing numbers of senior citizens and the assistance that classes close to residential neighborhoods would provide, relief of some campus parking problems, and the opportunity to utilize buildings in the community that are currently vacant or under-utilized. The disadvantages of off-

campus offerings include the loss of access to College support services, security of College equipment when classes are not in session, the possibility of creating several separate operations which are not properly coordinated and controlled, under-utilization of dedicated equipment and/or classrooms.

The Sub-Committee did agree that the College should focus initial resources on putting the campus in A-1 condition, then identify overcrowded or inadequate facilities, and finally look at off-campus sites if they offer clear advantages or meet the particular needs of individual programs or groups of students. It was considered important by the Sub-Committee that the campus remain the center of College activities to insure local identification, taxpayer awareness and support, and utilization of the extensive investment already made in College facilities.

In addition to the major points described above, the Sub-Committee considered several specific topics that may be useful to the College in the future:

1. The College physical facilities are attractive and functional, and give clear indications of quality and careful thought. Any future modification or addition should continue that overall image.

2. Some of the problem areas noted in this report may benefit from the fresh perspective of outside consultants. However, it is important to select consultants carefully and use them sparingly.

3. Delta has refrained from building multi-story structures, apparently on the theory that ample land is available on campus for horizontal expansion. Some of the problems the College is currently experiencing with parking and maintenance may be related to this decision. The possibility of constructing multi-story buildings should at least be considered in the future. In addition, consideration should be given to building additions to the College between existing wings of the main building.

4. The student services in the east concourse seem somewhat removed from other student services and from major student traffic areas. As space becomes available, consideration should be given to relocating those offices.

5. The College master plan is 20 years old. While the plan has not been fully implemented, the Sub-Committee agreed that the plan should be re-examined and updated.

6. The Sub-Committee is aware of some discussion of using College land for a research park or incubator for new businesses. There were many concerns raised about putting the College in competition with existing industrial parks, possible plans of local economic developers, or permitting profit making activities on land purchased with tax dollars for non-profit educational uses.

REPORT OF THE FINANCE SUB-COMMITTEE

DELTA COLLEGE

COMMITTEE OF 100

Gary Clark, Chair
Anthony Armstrong
Michael Asiala
Senen Asuan
Stuart Bergstein
Michael Brooks
Cynthia Chadwick
Robert DeNooyer
Glenn Doyle
William Fagley
David Furhop
Mark Gaffney
John Howard
Carol Jessup
Donald Koeppen
William Lauderbach
Timothy Lochinski
Sharon Miller-Long
John Ludington
Scott McDonald
John McGill
James Morgan
Nancy Princing
Brenda Rowley
Robert Sherman
Shirley Schleimer
Ronald Schneider
Sandee Spears
Rex Thatcher
Robert Viera
Lloyd Yeo
John Krawczyk

The charge of the Sub-Committee by the College Board of Trustees was to determine the following:

1. What are the present sources of funding for the College?
2. How dependable do these sources appear to be for the future?
3. What changes appear to be likely in funding in the future, both in terms of source and amount?
4. Are there viable alternatives to the current amount and type of funding?
5. Do College funds appear to be expended in a cost efficient manner?

A. Approach

The Sub-Committee heard presentations by John Krawczyk, recently retired Vice President of Finance; State Representative James O'Neill; Thomas Breeding, Midland County Equalization Director; Stephan Echan, Saginaw County Equalization Director; Robert Pelletier, Bay County Equalization Director; Dr. Gene Packwood, Delta College Research and Development Director; and Herb McLachlin, Managing Partner, Ernst and Whinney. In addition, the Sub-Committee received considerable printed data from the State of Michigan, Community College Data book and from College financial reports and records.

B. Findings*

1. Delta College enrolls 10,694 students in college credit classes, 2,300 students in non-credit community education classes, and 23,500 in contract training programs with local

* This section was principally written by William Fagley, a very active and valuable member of the Sub-Committee

businesses. The College employs 558 full-time people, 224 part-time, and 442 students. Total payroll is in excess of $20 million and Delta purchases $1.6 million in goods from 170 local vendors.

2. Delta is one of 29 community colleges in the State of Michigan which share the following policy characteristics:

   a. Open door enrollment: Open to high school graduates from the college district.

   b. Controlled by a locally elected governing board (in Delta's case, a 9 member board, 3 elected from each of the 3 counties in the district).

   c. Relatively low tuition because operating funds come from a local property tax, state aid, and student tuition.

   d. Faculty committed to primarily teaching, and not research or publishing.

3. Delta College was authorized by the voters of Bay, Midland and Saginaw Counties in 1957 and initially financed with 1.5 mills of taxing authority in 1958. The first classes were held in 1961. In 1978, the voters of the college district increased the authorized operating millage to 1.6 mills, without time limitation.

4. In November, 1988 the voters of the college district approved 0.5 mills for three years (1989-1991) for equipment replacement, maintenance and capital improvements.

5. In 1986-87, Delta had the fifth largest enrollment of the 29 Michigan community colleges with 6,495 Fiscal Year Equated Students (FYES: The total credit hours in which students were enrolled, divided by 31, a state defined full load for one student per academic year). Only Oakland, Macomb, Lansing and Henry Ford have higher enrollments.

6. In 1986-87, Delta's state aid was 10 percent lower than the state average as a percent of total revenue. Delta's local tax was 9 percent higher than the state average, and Delta's tuition revenue was 3 percent higher than the state average. Other revenue was 2 percent lower for Delta than the state average.

7. In 1986-87, Delta College had the fourth largest State Equalized Valuation (SEV) among community colleges at $5,188,364,000. Delta ranked eleventh in the state in SEV per FYES at $799,000 per FYES.

8. Delta's tuition charge of $34.25 per credit hour (1987-88) is the highest of the 29 Michigan community colleges. Delta's out-of-district tuition charge of $59 per credit hour is also the highest.

9. The 1986-87 rankings of Michigan community colleges show Delta as tenth in tuition and fees revenue per FYES, and tenth in property tax revenue per FYES. Delta is 27th out of 29 community colleges in state aid per FYES and 29th in Other Revenue per FYES. Delta is 21st in total revenue per FYES at $3,704 in 1986-87.

10. A review of the SEV of the Delta College District shows that it has been essentially flat for 1982-83 to 1988-89. In the period from 1970-71 to 1982-83 the district SEV grew at essentially the same rate as the Consumer Price Index.

11. Local tax revenue has declined as a percent of total revenue from 1980-81. State aid has also declined as a percent of total revenue from 1973-74 to 1984-85 with a major drop taking place from 1980-81 to 1984-85. Tuition and fees have had to be increased to offset the decline in state aid and local property taxes.

12. According to State Representative James O'Neill, the State of Michigan is under increasing pressure to provide additional funding for corrections, mental health and other areas. With the State of Michigan experiencing some difficulties in generating sufficient revenues to meet all current needs, the higher education portion of the state budget is not likely to be increased in the near future.

C. Responses to Charges of the Sub-Committee

1. The Sub-Committee is aware that college funding is received primarily from local property taxes, state aid, and student tuition.

2. Each major category of revenue appears to be a reasonably stable source of funds in the future. As noted in the preceding section; however, current funding sources do not appear to be sufficiently flexible or yield enough to meet changes in funding requirements necessitated by several predictable changes in expenditure requirements.

3. While several changes in college funding in the future can be contemplated, the projections in the appendix suggest that modest increases in expenditures consistent with historical patterns will exceed existing revenue sources. The extent of the shortfall will vary with changes in assumptions about the rate of growth of several revenue factors.

4. The Sub-Committee did not study alternate funding sources in detail. The College Board of Trustees will clearly have to examine both funding and expenditure options in the future to bring the two into balance if the college is to operate in a fiscally sound manner.

5. The College has developed a system of financial control which appears to meet the requirements of the College outside audit firm (Ernst & Whinney) and the Auditor General's Office. It appears that funds are being collected and expended in an efficient manner; however, the Sub-Committee did not attempt to judge if expenditure patterns are the highest and best use of available resources. That task seemed a more appropriate function of the Board of Trustees, with input from College administration.

D. Other Comments from the Sub-Committee

1. After viewing historical and current patterns of revenue generation and expenditures, and a computer simulation which projects those trends into the future, it seems likely that, the College may experience revenue shortfalls if past trends continue.

2. Careful long-range financial planning should be implemented to develop reasonable assessments of future revenue sources and expenditure patterns.

3. The original Committee of 300 envisioned Delta College revenue coming equally from state aid, local property tax and student tuition. That goal should continue to guide College financial planning.

4. In addition to point 3 above, it is important for the College to remain accessible to students with limited income. Delta is an important point of access to higher education for residents of the Tri-Counties, particularly for local people who are financially unable to attend other institutions. Tuition increases should be approved only when absolutely essential.

5. Careful consideration should be given to ways to stabilize or reduce College expenditures by such means as increased class sizes, alternate delivery systems, and increased productivity.

6. Recommendations on new programs and buildings are offered in other portions of this study. The recommendations reflect careful consideration; however, the College's current budget situation demands that those recommendations be systematically reviewed and prioritized by the Board so that the limited amount of available funds can go to the most badly needed areas.

7. If the College financial situation continues to require additional revenue, and increases in local property taxes are the only acceptable alternative, the Sub-Committee recommends that any proposed millage increase should be sought in small increments.

APPENDIX II

There are vast quantities of numerical data which could be cited to illuminate the past, current and future financial condition of Delta College. Rather than attempt to include in this publication all of the mounds of available data, a selected group of charts and graphs have been included to illustrate major concerns or recommendations of the Finance Sub-Committee. The reader wishing to examine the full range of financial data considered by the Sub-Committee is directed to the Delta College Library which will maintain a complete file for public review.

Graph 1, traces changes in College revenue and expenditure over the past five years. After a period of limited increases in state aid in the late 1970's and early 1980's, state aid has increased to the point that it is approximately the one-third share of the College budget envisioned when the College was originally planned. Conversely, local property taxes, which had grown into a larger share of College funds than originally conceived, have settled down to almost a third share as well. Students have consistently paid their equal share of College costs.

College expenditure patterns over the five-year time span highlighted in Chart 1, show little real change. The most noticeable change was a small reduction in Instructional expenses; however, this reflects an accounting shift of one category of costs from Instructional to Instructional Support.

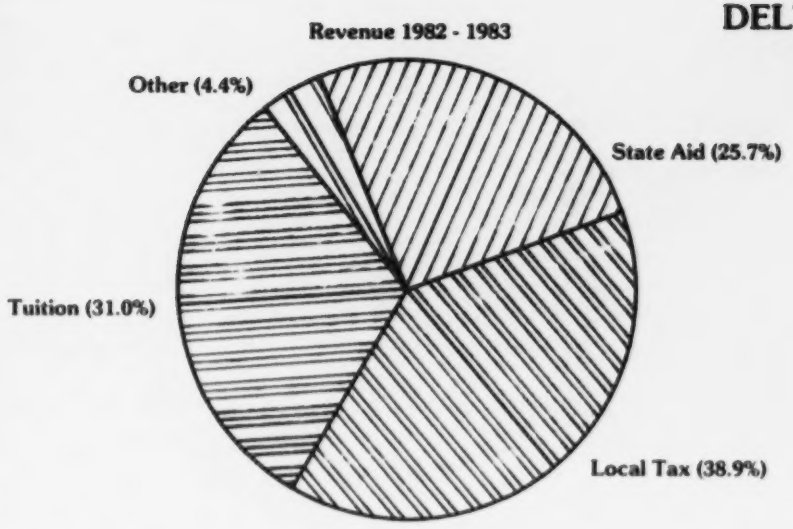
Graph 2, compares growth in the assessed valuation of the Tri-Counties with growth in the Consumer Price Index (CPI). The CPI has steadily increased from year to year. By contrast, the local assessed valuation has actually decreased from 1985 to 1988. In 1989, the value of local property started to increase again, and the graph projects that increase out to 1992.

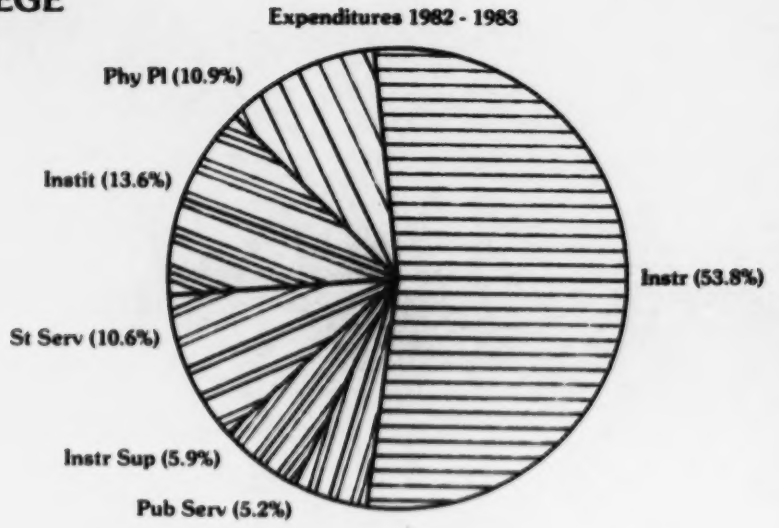
The expenditure side of the budget is examined in **Graphs 3 and 4. Graph 3,** indicates that what little additional funds have been available in the College budget have gone into the Academic area. All of the other major expenditure areas at the bottom of the chart show very slight increases over the time period cited, and in community service there has been a noticeable reduction. **Graph 4,** takes the same expenditure data and compares changes in revenue sources with expenditure changes. The figures confirm that, while expenditure increases have been modest in comparison to cost of living increases, even more modest increases in revenue sources have caused the Colleges overall financial picture to become more difficult.

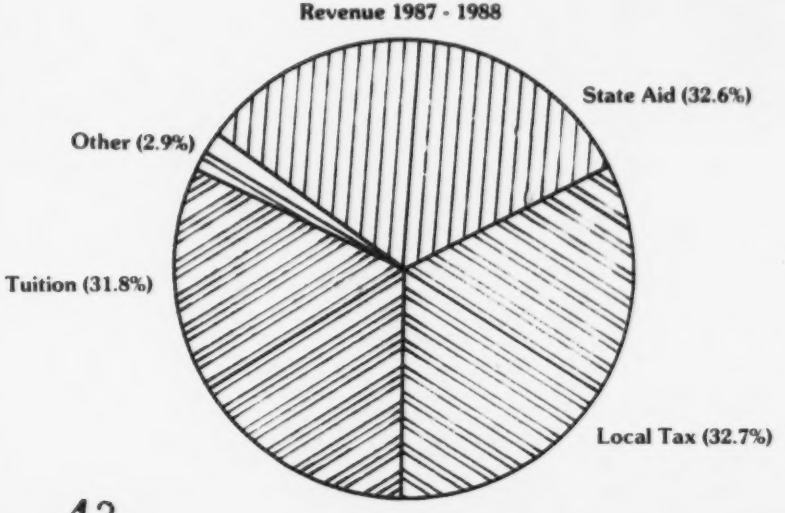
The cumulative impact of modest increases in expenditures, coupled with even more modest increases in state aid and local tax revenue, is demonstrated in **Graph 5.** The College has, in the last two years, eroded the Fund Balance until it is almost nonexistent. In the last accreditation report by the North Central Association, it was suggested that a reserve of 5% is considered normal in a college. A reserve of that size would amount to $1.35 million on Delta's budget.

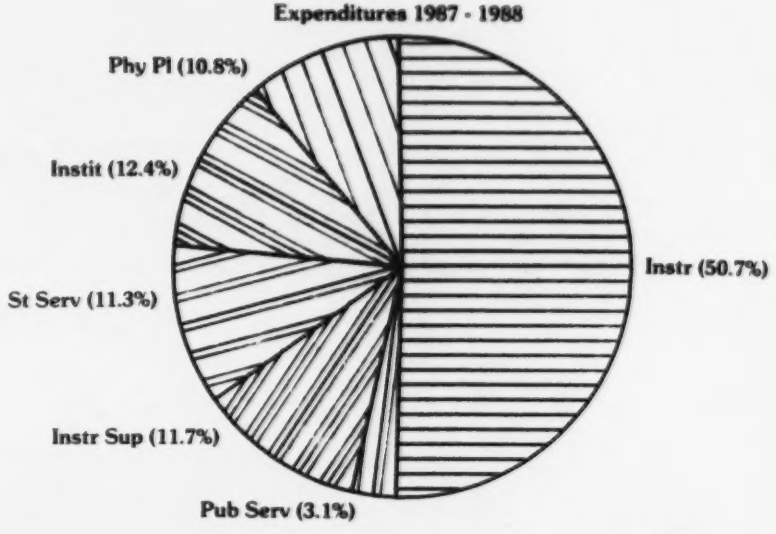
GRAPH 1

DELTA COLLEGE



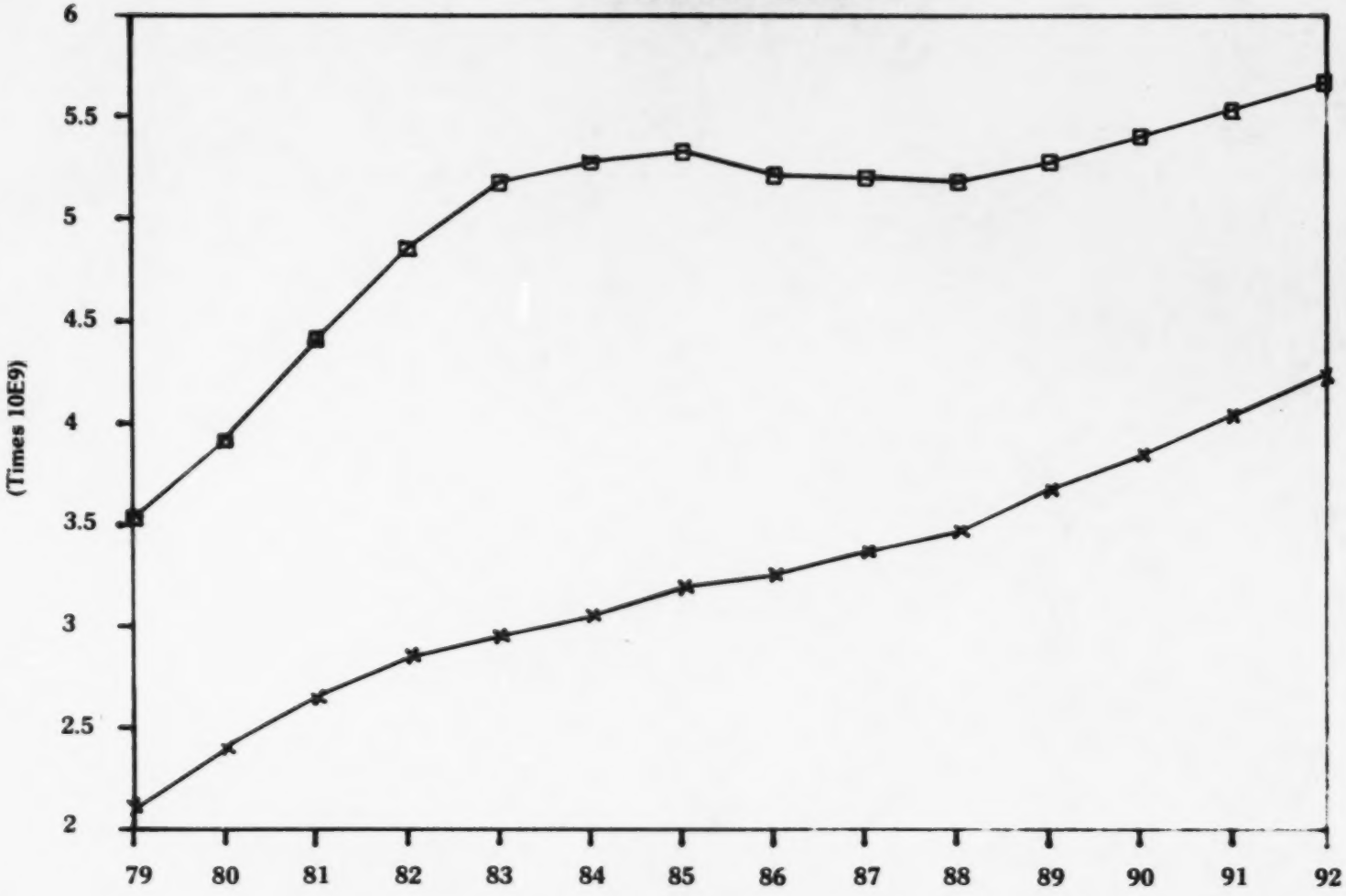






GRAPH 2

Delta College
SEV & CPI



PREPARED BY THE SNB MARKETING DEPARTMENT

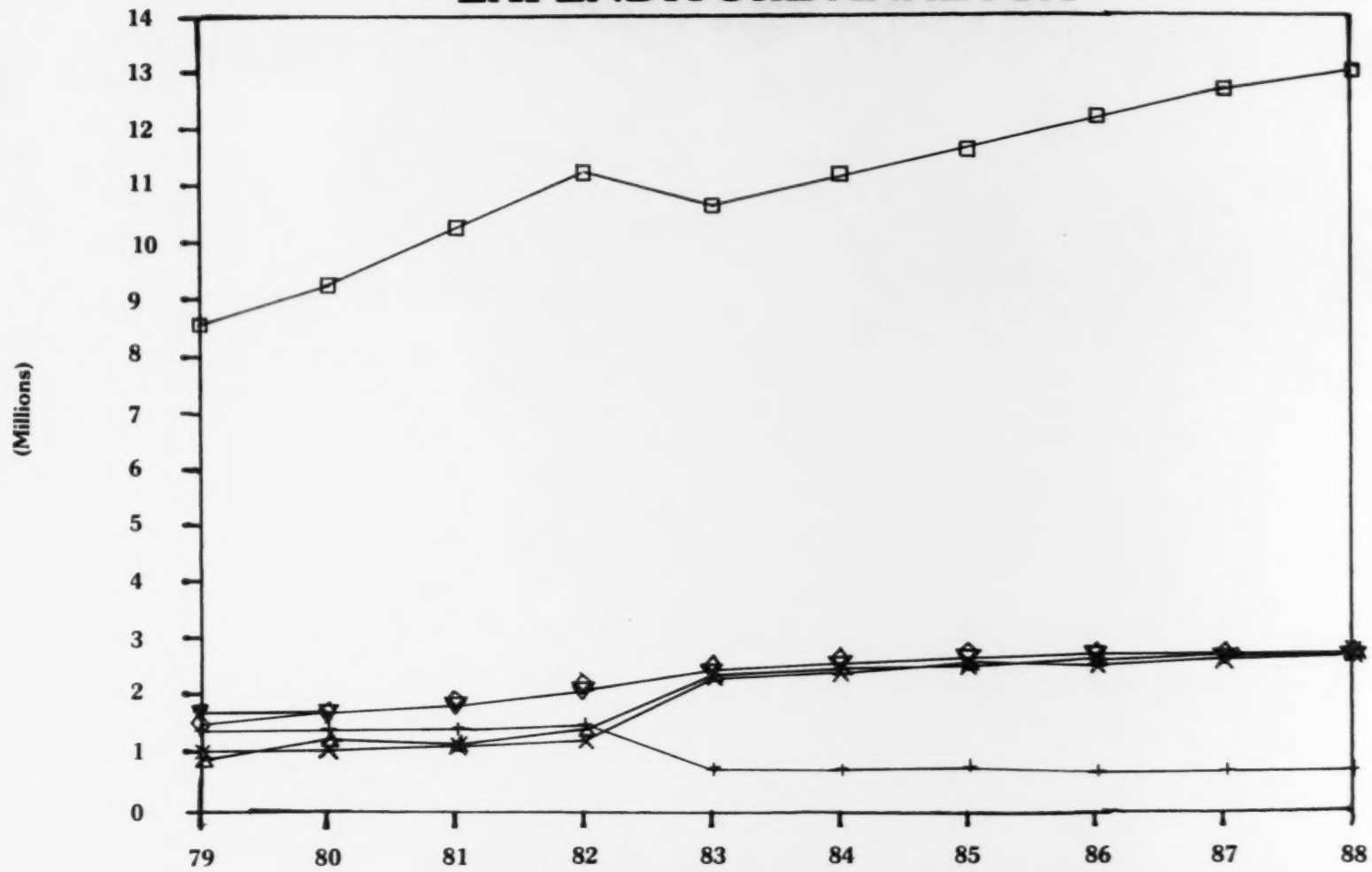
□ SEV + CPI

45

46

GRAPH 3

Delta College
EXPENDITURE ANALYSIS



PREPARED BY THE SNB MARKETING DEPARTMENT

□ A) Academic + B) Community Service ◇ Student Affairs △ D) Institutional

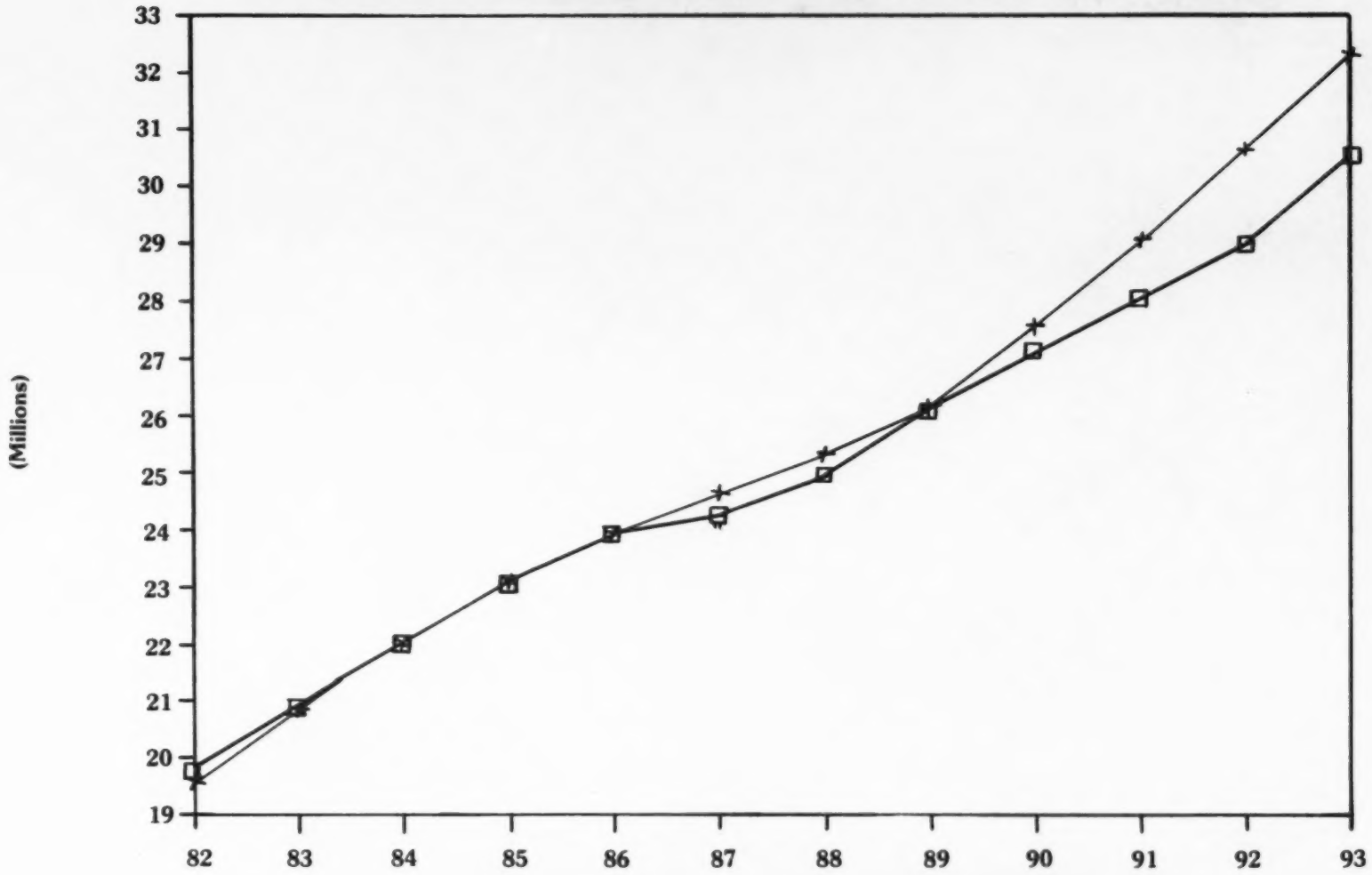
× E) Administration ▽ F) Plant Operations

47

48

GRAPH 4

Delta College
TOTAL EXPENDITURES & TOTAL REVENUE



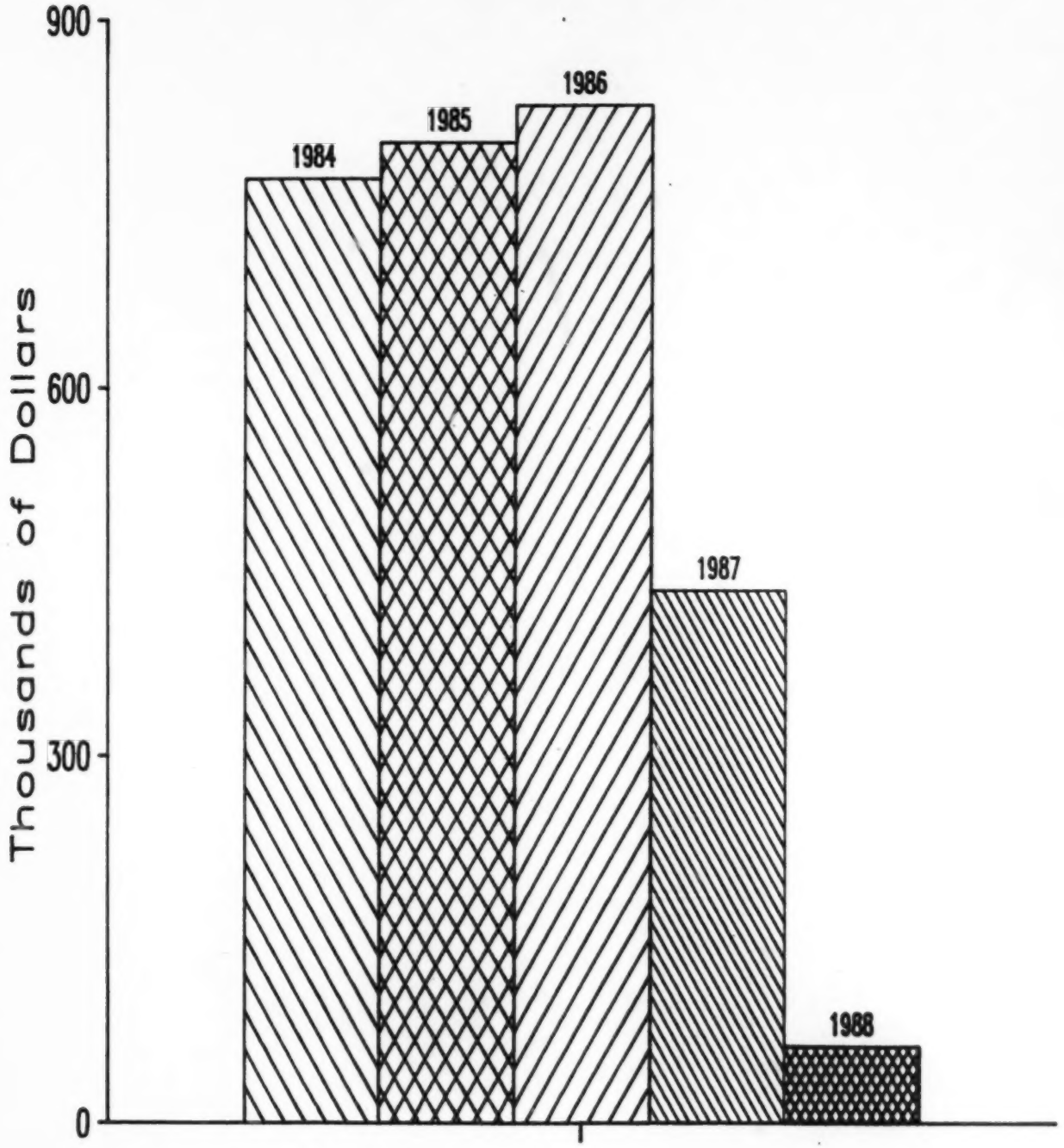
PREPARED BY THE SNB MARKETING DEPARTMENT

□ REVENUE + EXPENDITURES

GRAPH 5

Delta College

Fund Balance–General Fund



Prepared by Ernst & Whinney

The data used to this point has helped to identify historical trends and demonstrates the current College situation. But what of the future? William Fagley, a member of the Finance Sub-Committee and a retired Financial Analyst with the Dow Chemical Company, developed a computer model of the College's financial situation which allowed various planning assumptions to be tried out to see how they impacted College finances in the future.

CHART 1 - Financial Model of Delta College

This financial model of Delta College is based on an analysis of prior financial and statistical data. The model starts with the audited data of 1987-88 and includes projections for the next five years. The basis of the model and the relationships of the variables are described herein.

1. CPI Growth is the primary independent variable. It is an estimate of how the consumer price index (CPI) will grow. The base case estimates a five per cent growth in consumer prices by using a 1.05 factor. The CPI in the model is based on 1967 = 100 and is for March prior to the start of the school year.

2. State Equalized Value (SEV) for 87-88 and 88-89 are actual. In the last eight years, the average growth rate for SEV was 2.25 per cent per year, and the average CPI growth was 4.80 per cent per year. The ratio of SEV growth to CPI growth is .469 for this period and this ratio will be used in the base case.

3. The taxing authority of the college for operating millage is assumed to remain at 1.6 mills in the base case.

4. "In District" tuition per credit hour is the key independent variable used in determining the tuition and fee revenue. The base values for "In District" tuition are entered as $1.50 to $2.25 per hour increase each year.

5. The Tuition and Fee factor is an adjustment factor that corrects for other fees and "out of district" tuition charges being larger than the in-district charges. The factor was 1.114 for 1987-88. It is assumed that the factor will be 1.1294 for 1989-90 and thereafter. The 88-89 factor is estimated to be part way between the other two factors.

6. In the last eight years the total credit hours averaged 204,361 with a standard deviation of 4,944 credit hours. The base model uses number of credit hours estimated between 202,400 to 210,500 credit hours.

7. The total amount of state aid appears to be trending upward from 74-75 throught 88-89. The CPI grew at 6.79% per year while the state aid growth averaged 5.92% per year. The state aid to Delta College grew at 87.2 per cent of the CPI growth from 74-75. The model uses eighty-seven per cent of the CPI growth rate as the state aid revenue growth rate.

8. District millage is based on the SEV multiplied by the rate of Delta's levied millage and a millage adjustment factor. The millage adjustment factor is similar to the Tuition and Fee Factor. The base case uses a 0.9942 millage adjustment factor for 88-89 onward.

9. Other revenue has averaged $745,000 over the last five years with a standard deviation of about $218,000. The base case uses the average for all future years.

10. Total expenditures and transfers for the last six years were examined using linear regression with the CPI. The base case uses the results of the analysis to estimate total expenditures and transfers.

Total Expend in $M = 81.604 * CPI - 2,301.3

11. Revenue and expenditures are calculated per credit hour and the per cent of total revenue by source is also determined.

RESULTS:

A. The base case with initial inputs shows a shortfall in 1990-91 of over $1,000,000 and a shortfall of $1,745,000 in 1992-93. The shortfall in 1992-93 is quite significant as it amounts to about 0.30 additional mills, or over $7.00 per credit hour or 17.3% of the state aid received.

B. The Summary of Results table lists the shortfall in $M and $/credit hour for the base case and the initial sensitivity study of the key variables. The model shows increasing shortfall with higher CPI growth, or lower tuition and fee factor, or lower SEV growth and lower state aid growth.

Chart 2, brings together assumptions on the growth of the Consumers Price Index until the end of the 1992-93 fiscal year (5% per year), changes in local tax revenue (about half of the growth in the CPI as indicated by historical data), and a relatively stable student enrollment.

CHART 2 - Total Expenditures

CASE DESCRIPTION	BASE CASE WITH INITIAL INPUTS					
VARIABLE/YEAR	**87-88**	**88-89**	**89-90**	**90-91**	**91-92**	**92-93**
CPI Growth Factor	1.031	1.039	1.05	1.05	1.05	1.05
CPI (67=100)	336	349	366.45	384.77	404.01	424.21
SEV $MM	5168.6	5263.5	5386.93	5513.25	5642.54	5774.86
Millage Factor	1.6	1.6	1.6	1.6	1.6	1.6
In District Tuition	34.25	36.75	38.25	40.25	42.25	44.50
Tuition M Fee Factor	1.114	1.1217	1.1294	1.1294	1.1294	1.1294
M Credit Hours	204.45	206.68	208.2	205.3	202.4	210.5
State Aid $M	8200.85	8479.10	8847.95	9232.83	9634.46	10053.56
District Millage	8221.80	8372.75	8569.10	8770.04	8975.70	9186.18
Tuition & Fee $M	7800.69	8519.86	8994.15	9332.60	9657.95	10579.37
Other Revenue $M	763.05	745.00	745.00	745.00	745.00	745.00
Total Revenue $M	24986.38	26116.72	27156.19	28080.47	29013.11	30564.11
Total Revenue $/CR Hour	122.21	126.36	130.43	136.78	143.35	145.20
% State Aid	32.82	32.47	32.58	32.88	33.21	32.89
% Millage	32.91	32.06	31.55	31.23	30.94	30.06
% Tuition	31.22	32.62	33.12	33.24	33.29	34.61
% Other Revenue	3.05	2.85	2.74	2.65	2.57	2.44
TOTAL % REVENUE	100.00	100.00	100.00	100.00	100.00	100.00

NOTE: **M signifies three zeros (000) are omitted.**

In **Chart 3,** the calculations have been made that are detailed in Chart 2, and a pattern of revenue shortfalls are identified for the future. **Chart 4,** suggests three separate strategies which could be employed to deal with the projected shortfall. The substantial impact that would be created by relying on any one revenue source to offset the entire shortfall suggests that a combination of revenue adjustments may be necessary to reduce the impact on sigle revenue sources. In addition, expenditure reductions could make the problem less severe.

CHART 3 - Financial Report of Revenue & Expenditure Projections

CASE DESCRIPTION	BASE CASE WITH INITIAL INPUTS					
VARIABLE/YEAR	**87-88**	**88-89**	**89-90**	**90-91**	**91-92**	**92-93**
TOTAL EXPEND $M	25357.44	26178.50	27602.49	29097.68	30667.62	32316.07
TOTAL EXP $/CREDIT HOUR	124.03	126.66	132.58	141.73	151.52	153.52
SHORTFALL $M	-371.06	-61.78	-446.30	-1017.20	-1654.51	-1751.96
SHORTFALL $/CREDIT HOUR	-1.81	-0.30	-2.14	-4.95	-8.17	-8.32
SHORTFALL % EXPENDITURES	1.46	0.24	1.62	3.50	5.39	5.42
SHORTFALL % REVENUE	1.49	0.24	1.64	3.62	5.70	5.73

CHART 4 - Alternatives to Eliminate Shortfall

CASE DESCRIPTION	BASE CASE WITH INITIAL INPUTS					
VARIABLE/YEAR	**87-88**	**88-89**	**89-90**	**90-91**	**91-92**	**92-93**
ADDITIONAL MILLAGE	0.07	0.01	0.08	0.18	0.29	0.30
OR						
ADDITIONAL TUITION $/H	1.63	0.26	1.84	4.24	7.00	7.13
OR						
% ADDITIONAL STATE AID	4.52	0.73	5.04	11.02	17.17	17.43
OR COMBINATIONS OF THE ABOVE THREE CHOICES, OR CUT EXPENDITURES						

Charts 5 and 6, show the wide variety of possible outcomes which the financial model provides by varying the assumptions about the future. It should be noted that the most optimistic set of assumptions produces a revenue shortfall of $559,000 by the year 1992-93, the most pessimistic $3,005,000. None of the projections suggest that revenues will be equal to or exceed expenditures during the projection period.

CHART 5 - Summary of Results

Case	Case Description				Shortfall $M				
	CPI %	TMF *	SA *	SEV *	89-90	90-91	91-92	92-93	
BASE	+ 5.0 %	1.1294	0.87	0.469	- 446	-1017	-1654	-1751	BASE
# 1	+ 3.5 %	"	"	"	- 189	- 476	- 802	- 559	- CPI %
# 2	+ 6.5 %	"	"	"	- 704	-1567	-2535	-3005	+ CPI %
# 3	+ 5.0 %	"	"	0.328	- 505	-1138	-1839	-2002	- SEV
# 4	"	"	"	0.610	- 387	- 896	-1468	-1494	+ SEV
# 5	"	"	"	0.469	- 211	- 553	- 969	- 801	+ TUITN
# 6	"	1.0906	"	"	- 755	-1338	-1986	-2115	- TNF
# 7	"	1.1682	"	"	- 137	- 697	-1408	-1389	+ TNF
# 8	"	1.1294	1.131	"	- 247	- 692	-1190	-1135	+ S AID
# 9	"	"	0.760	"	- 643	-1335	-2103	-2339	- S AID

Shortfall = Revenues - Expenditures and Transfers

CHART 6 - Summary of Results

Case	Case Description				Shortfall $/CR HR				
	CPI %	TMF *	SA *	SEV *	89-90	90-91	91-92	92-93	
BASE	+ 5.0 %	1.1294	0.87	0.469	-2.14	-4.95	-8.17	-8.32	BASE
# 1	+ 3.5 %	"	"	"	-0.91	-2.32	-3.96	-2.66	- CPI %
# 2	+ 6.5 %	"	"	"	-3.38	-7.63	-12.53	-14.28	+ CPI %
# 3	+ 5.0 %	"	"	0.328	-2.43	-5.54	-9.08	-9.51	- SEV
# 4	"	"	"	0.610	-1.86	-4.36	-7.25	-7.11	+ SEV
# 5	"	"	"	0.469	-1.01	-2.70	-4.79	-3.81	+ TUITN
# 6	"	1.0906	"	"	-3.63	-6.52	-9.81	-10.05	- TNF
# 7	"	1.1682	"	"	-0.66	-3.39	-6.96	-6.60	+ TNF
# 8	"	1.1294	1.131	"	-1.19	-3.37	-5.88	-5.39	+ S AID
# 9	"	"	0.760	"	-3.09	-6.50	-10.39	-11.11	- S AID

In summary, the data suggests that sources of College revenue have not increased at rates comparable to the Consumer Price Index over the last several years. While college expenditures have grown at a modest rate, they have exceeded revenue and are drawing down the College Fund Balance to a very low level. Projections for the future suggest that, in any one of several likely sets of assumptions, a revenue shortfall will develop that could, depending on how closely the assumptions approximate reality, become a substantial sum by the year 1992-93.

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